No target for the year 1991-92 was set due to uncertainties in the global trading environment, collapse of the erstwhile Soviet Union, and the time lag for the reforms initiated since July 91 to have an impact on exports.

Export performance during 1990-91 and 1992-93 was lower than the targets due to various factors such as sluggish growth in world trade, recession in industrially advanced countries and rapid fall in trade with CIS and East European countries.

(c) and (d) The Export target for the current year has been fixed at US $ 22138 million (Rs. 70842 crores) which is about 20% higher than the actual exports of US $ 18537 million (Rs. 53688 crores) in 1992-93.

Exports during the first nine months (April—December '93) are estimated at US $ 15681 million (Rs. 49812 crores) registering an increase of 19.93% over the actual exports of US $ 13075 million (Rs. 37329 crores) during April—December 92. The Export target for 1993-94 is likely to be achieved.

Trade Reforms

723. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government are contemplating further trade reforms;

(b) if so, what are the major objectives of the trade reforms being planned; and

(c) by when these reforms are likely to be announced?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c) Trade reforms undertaken in July August 1991 and consolidated in EXIM Policy 1992—97 are valid for 5 years. However, reforms are a continous process and to meet the emerging requirements, changes are in Policy are made from time to time. The Major objectives of trade reforms are to facilitate expansion of India's exports to promote productivity, modernisation and competitiveness of export production in a de-regulated framework and thereby enhance the country's export capabilities.

724. *[Transferred to 8th March, 1994]*

Non-Effectiveness of EOUs and EPZs in Export Promotion

725. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that export promotion zones and export oriented untis have not been very effective in export promotion;

(b) if so, what are the main factors responsible for this; and

(c) what steps are being contemplted by Government to improve the performance of EPZs and EOUs?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c) Growth of export from Export Processing Zones (EPZs) and Export Oriented Units (EOUS) has generally maintained a positive trend. Some of the steps taken to improve the performance of EOUs/EPZs include simplification of policy framework, reduction of duty on domestic sales, higher access to local market for agro-based product and delegation of powers to development Commissioners of EPZs.

Request to stop import of Raw Silk

726. SHRI P. UPENDRA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Central Silk Board has asked the Commerce Ministry to stop the import of raw silk so as to save the indigenous silk industry; and

(b) if so, what action has been taken by the Government in this regard?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) Representations have been received from various quarters including

the Central Silk Board through the Ministry of Textiles to stop the import of raw silk on account of its alleged misusue.

Although raw silk has been included in the Negative List of Imports, its import is permitted under the Duty Exemption Scheme to enable the exporters to meet their requirements of raw silk for export production. Keeping in view the genuine requirements of exporters, import of raw silk may continue to be allowed under the Duty Exemption Scheme. However, the Government have taken the following steps to restrict the import of raw silk and prevent its misuse under this Scheme.

(i) The Input-Output norms for import of raw silk under the Duty Exemption Scheme have been revised.

(ii) The facility of Value Based Advance Licensing has been withdrawn in the case of silk textile products.

(iii) Pre-Shipment inspection scheme has been re-introduced for silk products exported against import of raw silk made under the Duty Exemption Scheme.

Private Sector Participation in EPZs

727. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under Government's consideration to permit private Sector participation in the management of Export Promotion Zones in a bid to improve their performance;

(b) if so, the details thereof and reasons therefor;

(c) whether such public/private partnership would be successful in the country; and

(d) if so, what is Government's reaction thereto?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Suggestions have been mooted for harnessing private/joint sector resources in strengthening the infrastructure of Export Processing Zones, but there is no proposal under the consideration of the Government to permit private sector management of the existing Zones.

(b) to (d) Do not arise.

Frauds under VABAL Scheme

728. SHRI SUNDER SINGH BHANDARI:
SHRI G.Y. KRISHNAN:
DR. NAUNIHAL SINGH:
SHRI KRISHNA KUMAR BIRLA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that certain cases of fraud have been reported under the Value-Based Advanced Licensing Scheme (VABAL);

(b) if so, the number and nature of such cases;

(c) what has been loss of revenue in these cases;

(d) what has been its impact on the local market; and

(e) whether Government are considering withdrawal of the scheme?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c) Complaints about misuse of Value-Based Advance Licences under Duty Exemption Scheme for import of plastic raw materials have been received. These complaints contain allegations regarding import of large quantity of plastic raw materials dis-proportionate to the exports made and over-invoicing of export product. While some cases of misuse have been detected by the Directorate of Revenue Intelligence, investigations so far have not revealed any large-scale fraud. As such the loss of revenue cannot be estimated.

(d) Representations have also been received that prices of certain commodities have come down in the domestic market as a result of the misuse